

IN THE
Supreme Court of the United States

JUN 17 1949

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CLERK

October Term, 1948.

No. 875 129

RALPH E. JONES,

Petitioner,

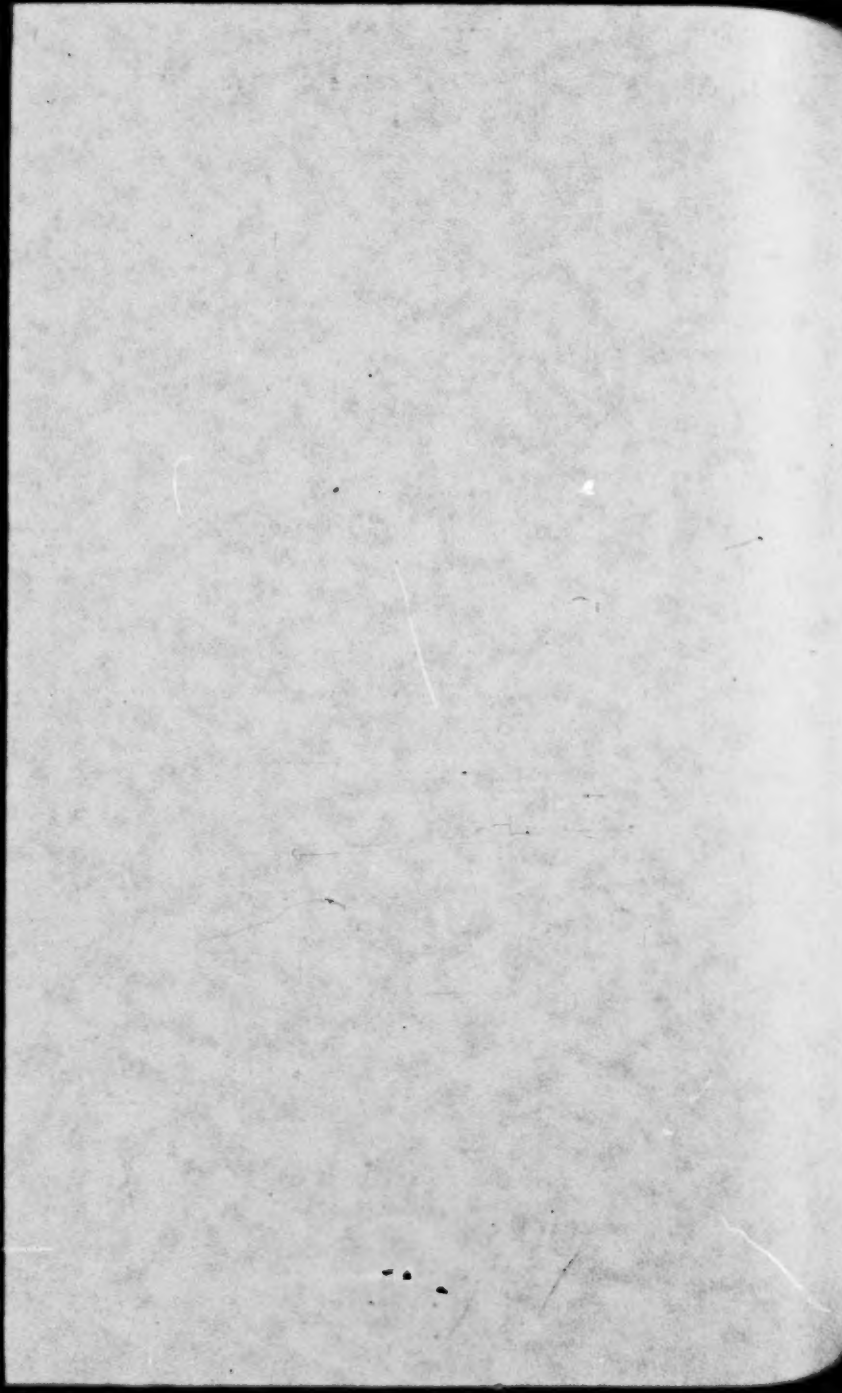
vs.

SCHICK SERVICE, INC., and SCHICK, INC.,

Respondents.

Petition of Ralph E. Jones for Writ of Certiorari to
the Court of Appeals for the Ninth Circuit and
Brief in Support Thereof.

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FORD W. HARRIS,
321 Subway Terminal Building, Los Angeles 13,
Attorney for Petitioner.



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vs.

SCHICK SERVICE, INC., and SCHICK, INC.,

Respondents.

**PETITION OF RALPH E. JONES FOR WRIT
OF CERTIORARI TO THE COURT OF AP-
PEALS FOR THE NINTH CIRCUIT.**

Your petitioner, Ralph E. Jones, prays that Writ of Certiorari issue to the Court of Appeals for the Ninth Circuit to review a final judgment of said Court entered on March 18, 1949, holding invalid claims 22, 23, 31 and 32 of patent number 2,228,768 granted January 14, 1941, to said Ralph E. Jones, hereinafter called Jones, plaintiff in the case Ralph E. Jones v. Schick Service, Inc., and Schick, Inc., in the District Court of the Southern District of California, Central Division, Civil Action No. 4601-RJ (WM), which was considered in Appeal No. 11,854 by the Court of Appeals.

A certified transcript of the record before the Court of Appeals has been furnished in compliance with Rule 38(7) of this Court.

Jurisdictional Statement.

Jurisdiction of the Supreme Court of the United States is invoked under Title 28, Chapter 81, Section 1254, United States Code Congressional Service (1948), at page 1565:

“Cases in the courts of appeals may be reviewed by the Supreme Court by the following methods:

“(1) By writ of certiorari granted upon the petition of any party to any civil or criminal case, before or after rendition of judgment or decree.”

Rule 38 of Title 28, U. S. C. (1946), at page 3190, states in its pertinent portion:

“5. A review on writ of certiorari is not a matter of right, but of sound judicial discretion, and will be granted only where there are special and important reasons therefor. The following, while neither controlling nor fully measuring the court’s discretion, indicate the character of reasons which will be considered:

“Where a circuit court of appeals . . . has decided an important question of federal law which has not been, but should be settled by this court; . . . or has so far departed from the accepted and usual course of judicial proceedings, or so far sanctioned such a departure by a lower court, as to call for an exercise of this court’s power of supervision.”

We think the Court has full authority and power to grant our petition.

Short Statement of Matters Involved.

(1) The Congress of the United States has enacted the patent statutes found in 35 U. S. C., among which is R. S. 4886, 35 U. S. C. 31.

(2) The statute R. S. 4886, 35 U. S. C. 31, provides that "any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter or any new and useful improvements thereof . . . may, upon payment of the fees required by law and other due proceeding had, obtain a patent therefor."

(3) Ralph E. Jones, plaintiff in the District Court, invented or discovered certain new and useful improvements in a machine, generally called a dry or electrically driven shaver and, relying on the promise made in R. S. 4886, 35 U. S. C. 31, on December 10, 1935, made application Serial No. 53,809 for a patent thereon.

(4) Negotiations were then carried on between the attorney for Jones and the Patent Office as to what consideration Jones should receive in the form of rights defined by claims in return for his allowing the full description of his invention embodied in his specification, to be made available to the public by a publication thereof by the Patent Office; a bargain was made, and United States Letters Patent 2,228,768 was issued to Jones on January 14, 1941 [Book of Exhibits, Plaintiff's Exhibit 1, R. 424].

(5) The patent was independently discovered by Schick Dry Shaver, Inc. (respondent Schick, Inc., hereinafter called Schick), and its general attorney, Mr. Merrick, was dispatched to San Diego for the purpose of purchasing the patent [R. 125].

(6) Jones, in San Diego, was called by telephone by an attorney, a Mr. Taylor (a representative of Schick), in Los Angeles asking for an appointment [R. 123 and 124].

(7) On January 24, 1941, Mr. Merrick, general attorney for Schick, arrived in Los Angeles and drove to San Diego [R. 124] and conferred with Jones, and the purchase of the patent for a lump sum by Schick was discussed, Jones stating that he would prefer to grant an exclusive license on a royalty basis [R. 125].

(8) On January 29, 1941, Jones went to Los Angeles and had a conference with Mr. Cordiner, president of Schick, and Jones agreed to accept certain terms. Jones and Mr. Cordiner shook hands and both stated, "It's a deal" [R. 131]. Schick agreed to write up the formal agreement [R. 131].

(9) Schick did not so write up the agreement, but on March 13, 1941, Mr. Merrick notified Jones by letter [Book of Exhibits, Plaintiff's Exhibit 14, R. 447] that Schick was not interested in obtaining a license under the patent.

(10) Schick, however, incorporated the improvements claimed in the Jones patent in its dry shavers and thereby infringed the patent as found by the District Court. The District Court held by Finding of Fact 26 [R. 59] that the infringement was conscious, deliberate, wilful, and wanton, and since this finding was not reversed by the Court of Appeals, it is now the law of the case.

(11) On July 6, 1945, Jones brought suit for infringement of his patent 2,228,768 in the United States District

Court, filing complaint [R. 2 to 4], and the case was tried before the Honorable William C. Mathes, District Judge, who made Findings of Fact and Conclusions of Law [R. 43 to 61]. The Findings of Fact support and amplify paragraphs (1) to (10) as hereinbefore set forth.

(12) Judge Mathes in particular made Finding of Fact 20 [R. 55], as follows:

“Claims 22, 23, 31, and 32 of patent 2,228,768 define a new and useful invention and are valid. Claims 1, 11, 17, 18, 19, 20, 24, 25, 26, 27, 28, 29, and 30 of said patent, however, are invalid because of indefiniteness.”

Judge Mathes did not hold that *any* claim of the patent was invalid for lack of invention for the reason later given by the Court of Appeals, namely, that the thing claimed could have been produced by the exercise of mere mechanical skill, although this defense was raised by paragraph VIII of the answer [R. 15], and vigorously argued by very competent counsel.

(13) On March 18, 1949, the Court of Appeals reversed Judge Mathes' Finding of Fact 20, above quoted, and held the claims held valid by Judge Mathes were invalid because “the patent here embodies mere mechanical skill or knowledge.” We believe the Court of Appeals erred in this reversal and will respectfully request that the Supreme Court concur in the finding of the District Court.

Admitted Facts.

The following Findings of Fact of the District Court were not appealed and stand as admitted by defendants and are the established facts of the case:

Findings 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 18, 21, 22, 23, 24, 25, and 26.

Other findings were appealed in part. Those parts not appealed stand as admitted and established facts of the case. We would specifically point out that certain of these admitted facts are quite important. Without disclaiming our right to rely on other facts so admitted, we would call the Court's attention to the following:

(a) Defendants have introduced in evidence certain prior art, embodied in patents and other exhibits. The District Court made Finding of Fact 14 [R. 50] in which it held that “. . . None of said exhibits introduced in evidence by defendants disclose the construction set forth in patent 2,228,768. . . .” In the same finding the Court included the finding that:

“ . . . Of such prior art patents introduced into evidence by the defendants, Exhibits L-9, L-11, L-12, L-13, L-14, L-15, L-16, L-17 and L-18 were all file-wrapper references considered by the Patent Office in connection with the patentability of the invention covered by patent No. 2,228,768, and none of the other of said prior art patents, nor the catalogue Exhibit M, nor the paper punch Exhibit N, *any more nearly disclose the invention in suit than do such prior art patents considered by the Patent Office.* . . . ”
(Emphasis added.)

(b) The District Court further found, in substance, by Finding 23 [R. 55], that on January 29, 1941, plaintiff and defendant entered into an oral contract and that on March 13, 1941, defendant renounced and abandoned it.

(c) The District Court further found, in substance, in Finding 24 [R. 57], that in the period between the making of the contract and its rescission, the plaintiff Jones, believing that he had made a firm agreement, disclosed to defendant certain secret and confidential information.

The above facts set forth as Findings of Fact by the District Court were not appealed, stand as admitted facts in the case and will be relied upon as admitted facts in our discussion of the case.

Question Raised.

The opinion of the Court of Appeals for the Ninth Circuit raises the following question of law:

Is it permissible for any Court of Appeals to hold a patent invalid because it considers it was produced merely by the exercise of mechanical skill when in doing so it reverses a contrary Finding of Fact of the District Court, and it is the law of the case based on admissions by the defendant, that the District Court had before it no evidence of greater weight as to this question than that considered by the Patent Office?

The people of the United States have a vital interest in this question which has never been authoritatively settled by the Supreme Court.

Reasons Why the Petition for Certiorari Should Be Granted.

(1) The Patent Office is granting patents at the rate of about 40,000 per year and there are more than 600,000 such patents now in full force and effect.

(2) If the Courts of Appeal have the power to act as the Court of Appeals for the Ninth Circuit has acted in this instance, the rights which any patentee now hold or may later hold under patents duly granted to him by the government of the United States by its duly authorized agent, the Commissioner of Patents, are in great jeopardy.

(3) In only a very few of the infringement suits before the Federal courts are the patents sued on held valid and infringed. In many of the suits the patents are held invalid on the same ground as that relied upon in this case and under much the same circumstances.

(4) Therefore, in our opinion, the Supreme Court should exercise its supervisory authority in this case and should settle the question herein propounded so that patentees and others interested in the patent system will know exactly where they stand as to the question.

(5) The patent invalidated in this case by the Court of Appeals is for a small advance in the art and, in fact, was invalidated solely for that reason. The great majority and probably at least ninety per cent of the patents now in force or now being issued, are for similar small advances. Science and the useful arts constantly progress by such small steps and if people are not to be encouraged by patents to take these small steps, in our opinion they

should be so told. If the courts are bound to hold that all these patents are invalid, it is respectfully suggested that the Supreme Court owes a duty to the thousands of persons who, during the next year, will file applications for patent at great expense to themselves, to now so hold.

(6) If the Supreme Court so holds, it is respectfully suggested that the Supreme Court owes a similar duty to formulate some rule by which the degree of novelty necessary to justify a patent can be determined.

FORD W. HARRIS,

Attorney for Pctitioner.

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BRIEF IN SUPPORT OF THE PETITION.

The Constitution of the United States, Article I, Section 8, Clause 8, reads as follows:

The Congress shall have the power "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their Respective Writings and Discoveries;"

Under the authority of this Constitutional provision, the Congress enacted R. S. 4886, 35 U. S. C. 31, which reads as follows:

"Any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvements thereof, or who has invented or discovered and asexually reproduced any distinct and new variety of

plant, other than a tuber-propagated plant, not known or used by others in this country, before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, or more than one year prior to his application, and not in public use or on sale in this country for more than one year prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law, and other due proceeding had, obtain a patent therefor."

The Congress further enacted R. S. 4888, 35 U. S. C. 33, which reads as follows:

"Before any inventor or discoverer shall receive a patent for his invention or discovery he shall make application therefor, in writing, to the Commissioner of Patents, and shall file in the Patent Office a written description of the same, and of the manner and process of making, constructing, compounding, and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art or science to which it appertains, or with which it is most nearly connected, to make, construct, compound, and use the same; and in case of a machine, he shall explain the principle thereof, and the best mode in which he has contemplated applying that principle, so as to distinguish it from other inventions; and he shall particularly point out and distinctly claim the part, improvement, or combination which he claims as his invention or discovery. The specification and claim shall be signed by the inventor. No plant patent shall be declared invalid on the ground of noncompliance with this section if the description is made as complete as is reasonably possible."

R. S. 4886, 35 U. S. C. 31, taken at its face value, provides that the Commissioner must grant a patent regardless of *the degree* of novelty of the subject matter thereof, but as the sole bargaining agent for the people of the United States, the Commissioner is justified in rejecting an application regardless of how much novelty the thing disclosed in the patent application has if, in his opinion, the alleged invention could be produced merely by the exercise of mechanical skill. This is quite logical and proper since the Commissioner is, by law, made the bargaining agent of the government and is fully authorized to make bargains with applicants for patents and he should have full discretion to refuse to so bargain if, for any reason, he considers the proposed bargain will not be advantageous to the people of the United States.

The process by which a patent is obtained is a typical bargaining process. The patent application as filed consists of two parts, namely, (a) a *disclosure* consisting of a specification, which may be illustrated by drawings, and (b) *claims*, which define the rights of exclusion which the applicant, in effect, offers to accept in return for the transmission of his disclosure to the public. The application is, in effect, an offer to make a bargain. The Patent Office Examiner, representing the Commissioner, weighs the *quantum* of the consideration offered by the applicant; that is, considers the probable value of the disclosure to the public. If the disclosure discloses nothing new, the consideration offered by the applicant has no value and the Examiner refuses to make a bargain, and rejects the claims as *anticipated* by, or *lacking in invention* over, the prior art. It often happens, however, as in this case, that the applicant discloses something new which the Examiner thinks the people of the United States may need or desire.

He then examines the claims to see what consideration the applicant demands before his disclosure is delivered to the public; that is, the Examiner decides whether or not he is justified in giving the applicant certain rights of exclusion defined by the claims in return for a disclosure to the people of the United States of how to make and use the new thing. In nearly every case, the Examiner at first holds that the applicant asks too high a price and refuses to make the bargain and rejects the claims. The applicant then makes a new offer by amending his claims or writing new ones. That is, the applicant agrees to take rights which are less exclusive than those originally asked for. This new offer may be accepted by the Examiner or again, the Examiner may refuse to make a bargain and the applicant may again amend. This bargaining continues, as it did during the negotiations with the Patent Office for the patent in issue in this case, in which three different examiners participated and in which no examiner held that mere mechanical skill was used in producing applicant's improvements, until the Examiner accepts an offer from the applicant and the patent issues.

One of the main questions considered by examiners and one which they decide before allowing claims, is whether or not the thing claimed was produced by invention or could have been produced merely by the exercise of mechanical skill, and many patent applications are rejected and thereafter abandoned because the Examiner decides this question adversely to the applicant. The Commissioner maintains a force of scientifically trained examiners who specialize in certain arts to decide this question. It is certainly entirely proper for the Examiner, acting for the Commissioner as bargaining agent for the people of the United States, to refuse to make what he thinks is a

poor bargain since he does so *before* the consideration offered by the applicant has passed to the people by publication of the patent. The application has been kept secret during the negotiations with the Patent Office and if no bargain is made and the application is finally rejected, the disclosure is not passed to the public, the files of the application being still kept secret.

We are concerned in this case solely in the question of how far the courts of the United States can legally and morally go in rescinding the bargains so made in good faith by the bargaining agent for the people, by declaring the patent invalid and thus taking away the consideration received by the patentee, allowing the people of the United States to retain the full consideration passing to them.

We are further interested in the question of whether or not it is fair and equitable for the government of the United States to maintain in force R. S. 4886 promulgated by the legislative branch, and ostensibly honored by the executive branch, when the judicial branch refuses to honor the promise of the Congress and repudiates the acts of the bargaining agent of the people. In other words, we think the government of the United States should stick to its bargains.

We do not contend that the proceedings under which a patent has been granted, and the patent itself, should not be subject to review by the courts. The statute R. S. 4886, 35 U. S. C. 31, set forth above, sets up certain positive bars to the issue of patents, and the promise contained in the statute is conditional to that extent. The promise is further conditioned by R. S. 4888, 35 U. S. C. 33. If the invention involves no novelty or no utility as defined in R. S. 4886, there is a total failure of the consideration paid by the applicant and the bargain can be

properly rescinded, and if the applicant has failed to comply with R. S. 4888 he may properly be penalized by the loss of his rights. But the rights of Jones were taken away from him by the Court of Appeals although that court recognized that the claims of the patent were not anticipated by any prior art cited, that is, there was not an entire failure of consideration, and, although certain defenses were pleaded based on applicant's alleged failure to comply fully with R. S. 4888, neither the District Court nor the Court of Appeals found for Schick as to any of these defenses. The Court of Appeals tacitly admitting that Jones had made an improvement in the art, but holding that it was an improvement that could have been produced by the exercise of ordinary mechanical skill, that is, the step in the art was not of sufficient magnitude to justify a patent and that the executive branch, through the Patent Office, made a mistake in granting the patent. The judicial branch of the government, therefore, penalized our client; this penalty being assessed because of a mistake made by *the Patent Office*.

We respectfully submit that the facts in this case clearly demonstrate that even if both the Examiner who, initially, upon his knowledge of the art, decided that Jones had made an invention which would be of value to the public and the District Judge who upheld the Examiner, made a mistake in their opinions as to what constitutes mechanical skill, the public was not materially injured by this mistake. Jones had something to sell to the public and its worth was immediately recognized by Schick. The consideration Jones received was exactly commensurate with his contribution to the public good. His claims were no broader than his disclosure, as all the three tribunals who have passed on it have held. Neither the Examiner,

skilled in the art, with all the facilities of the Patent Office open to him, nor able counsel for the defense could find anticipatory art. It was a fair trade. Jones gave the public an improvement and his claims cover that improvement and nothing more. Moreover, even after the Jones patent issued, the public was under no compulsion to pay for the improved Schick dry shaver than the public thought it was worth. The Jones patent did not prevent Schick or any of Schick's competitors from continuing to make exactly the same razors they had made before the patent issued, or from adopting any improvement not within the narrow scope of the claims of the Jones patent. Even after the Jones patent issued, its value had to be settled by the public.

We respectfully submit that if prior patents had been found that anticipated the Jones claims, there would have been a total lack of novelty in the consideration paid to the public by Jones for his rights and since there was a total failure of consideration, the Court's confiscation of Jones' rights would have been fully justified because the consideration passing to the public had no value. This was not the case. It is admitted that the prior art not cited by the Examiner and put in evidence did not have any more weight than that cited. However, if it had greater weight but did not prove a total failure of consideration, but merely a somewhat smaller *quantum* of the consideration, we do not think the Court was justified in rescinding the bargain made in good faith by Jones merely because, in the Court's opinion, the government's agent made a poor bargain.

We respectfully submit that the courts, in taking on the burden of revaluating the *quantum* of the consideration, have taken on a burden they are ill-equipped to sustain

and one not justified by either law or justice. We further respectfully submit that unless the Court has before it evidence showing a total failure of the consideration passing to the public and can, therefore, hold that the claims are anticipated and that there was no novelty in the alleged invention, no court is justified in invalidating any claim. If the improvement is a small one, it is still an improvement. If it is a small step in the art, as in this case, and the claims are not anticipated by the art, as in this case, the claims must be narrow and easily avoided, as in this case. The *quantum* of the consideration embodied in the claims, if the claims are not anticipated, is proportionate in every such case to the *quantum* of the consideration passing to the public and the bargain is a fair one.

The principal evil that needs a remedy is well demonstrated by the facts in this case. The evil is this. If a patent can be invalidated by any court upon the grounds depended upon in this case, Jones' claims having a scope proportionate to the value of the improvement to the public, then the bargain made by the Patent Office is a fraud. The courts do not have the power to reform the bargain. All they can do is to confiscate the inventor's rights for no fault on his part merely because the Court thinks their fellow government employee was too liberal.

The previous discussion is illustrated by the facts in this case. Our client Jones had spent his working life in the United States Army and was retired for physical disability. He conceived certain improvements which he thought should be embodied in a shaver such as the Schick shaver, which is an electrically driven shaver widely used as a razor. He accepted the patent system at face value and made a patent application. He paid not only his

patent attorney, but he also paid a substantial fee to the government. A typical bargaining negotiation was then carried on with the government represented by its agent, the Commissioner's deputy in the Patent Office. An agreement was reached, the application was allowed, and the patent was issued. When the patent issued, it was noted by Schick and its value was obvious. Schick moved at once to get rights under the patent. A lawyer representing Schick went to San Diego and soon after this, the president of Schick made a bargain with Jones under which Schick agreed to pay Jones a small royalty for the right to use Jones' improvements. Neither Schick nor the government respected their bargains.

What happened in relation to the Schick bargain is this: A formal agreement was believed desirable by the parties and the matter was referred by Schick to its patent attorneys. Jones, believing that he had made a firm bargain, was induced to send Schick certain confidential files of patent applications, and after studying the situation, Schick notified Jones that it would not carry out its promises. The patent attorneys made a report to Schick [Book of Exhibits, Plaintiff's Exhibit 14, R. 447] and it was on the basis of this report, which is not in evidence, that Schick disavowed its agreement with Jones. The only advice the patent attorneys could have given and the only advice any competent patent attorney would give Schick was that if Jones sued Schick for infringement, it was most unlikely that the Federal courts would sustain the Jones patent because it was for very narrow improvements in the art. They probably also pointed out that, in the event Jones so sued, Schick could make the litigation very expensive to Jones and obviously Schick by that time knew that Jones was in no position to stand heavy expenses, being a disabled soldier living on his retirement pay.

Weighed solely in terms of dollars and cents, Schick was fully justified in stealing Jones' improvements, thus leaving him to sue if he dared. In other words, Schick defaulted on its bargain because it was assured by its attorneys that the government could be induced to default on its bargain. It is significant, however, that if the original attorneys or the various attorneys later employed in the litigation found any *evidence* which would justify such a default by the government, it was not put in evidence at the trial. The District Court made Finding of Fact 26 [R. 59] which was not reversed by the Court of Appeals and is the law of the case, and which is as follows:

"The infringement by both defendants of patent No. 2,228,768 in suit has been conscious, deliberate, wilful and wanton. And the defendants threaten, intend to and will, unless enjoined and restrained by order of this court, continue infringement of the patent in suit."

But the District Court made Finding of Fact 20 [R. 55] which, in part, is as follows:

"Claims 22, 23, 31 and 32 of patent No. 2,228,768 define a new and useful invention and are valid.
. . ."

The Court of Appeals reversed this last finding because it thought Jones had made only a small step in the art which any person skilled in the art could have made by the exercise of mere mechanical skill, thereby adopting the rule promulgated by the Supreme Court that only the results of flashes of genius are entitled to a patent. Only under this rule can the action of the Court of Appeals be sustained. Under this rule, any court can hold any patent invalid and arbitrarily disown any bargain made

by its government with any inventor. There is now ample precedent for the action of the Court of Appeals in this case as patents have been repeatedly held invalid merely because of the courts' general belief that the executive branch of the government acts improperly in granting patents on small steps in an art. We represent a forlorn hope in this case but, while we act only for a single individual, we feel that potentially we act for many thousands of patentees who have been induced by the promise of R. S. 4886 to labor to produce new things, and to apply for and obtain patents thereon and thus make them available to the public.

We also feel that we act for the people of the United States who are the final beneficiaries of these new things. No one is forced to buy them after they are produced, but we feel that the initial production of them should be encouraged in every fair way leaving it to the people themselves to decide whether or not they will buy them when offered for sale. The patent system is a very efficient method of promoting such progress of the useful arts. If we had no patent system, or what is the same thing, if Jones had known as much as he knows now about the patent system, he would merely have modified his own dry shaver so that he could shave better with it and done nothing further.

Our objection to the rule relied upon by the Court of Appeals is that it is a bad rule, even considered strictly on legal grounds, because the holding that something was produced merely by the exercise of mechanical skill is based on supposition and not fact. In this case, the facts are against the supposition. Schick had made thousands of dry shavers without producing the Jones improvements, and it was under no compulsion to adopt the Jones im-

provements or to pay more for them than it thought they were worth.

We think the Supreme Court, in the interests of the people of the United States, acting as one branch of the government of the United States, should in all possible ways give full faith and support to the other two branches of that government in their attempts to induce people to produce and make available to the public a continuous flow of new things. However, this is a specific case and presents specific issues.

In this case, petitioner has lost his rights because he is a "little fellow" with a little invention, the ground relied upon by the Court of Appeals being that in producing his improvements, he exercised mere mechanical skill. The Patent Office, by the issue of the patent, held that it discloses and claims a patentable invention. The issue was argued in the District Court and the best proof that could be adduced by a large corporation represented by able counsel was considered and the issue was then decided in Jones' favor and a Finding of Fact was so made. This issue of fact, twice decided in petitioner's favor, was then considered *de novo* by the Court of Appeals, and was then decided adversely to the petitioner. We think all issues relating to the validity of a patent should be considered in any District Court, bearing in mind the presumption of validity established by the grant of the patent, but that this presumption should only be destroyed if the District Court has before it evidence which was not only not before the Patent Office, but which is no more conclusive of invalidity than the evidence that was before the Patent Office. The Supreme Court does not need to go as far as to set up a rule to this effect in order to give our client relief if it finds that a Court of Appeals should not hold

any patent invalid on the ground that the thing patented was produced by the exercise of mere mechanical skill, if in so doing the Court reverses a Finding of Fact to the contrary by the District Court.

However, although we will have properly served our client if the Supreme Court reverses the Court of Appeals on the ground that it acted improperly in reversing Finding of Fact 20 by the District Court, we think the public interest demands that the Supreme Court carefully consider the fundamentals of the patent system and act positively to either entirely repudiate the patent system or sustain it.

The Law of the Case.

We have purposely avoided putting points and authorities in our previous discussion, but the law will now be very briefly discussed. It may be unnecessary to discuss the rule that mere inadequacy of consideration is not sufficient ground for rescinding an agreement. From an early age we are taught that a "trade is a trade," and that we are honor bound to stick to our bargains. The Supreme Court said nearly a hundred years ago that:

"Mere inadequacy of consideration is not of itself a sufficient ground to set aside a contract. . . ."

Eyre et al. v. Potter, 15 How. 42, 14 L. Ed. 592, at p. 593.

See also *Klamath and Moadoc Tribes v. United States*, 296 U. S. 244, 80 L. Ed. 202 at page 210, in which the Supreme Court in 1935 approved and cited *Eyre v. Potter*, *supra*, also citing Pomeroy, Eq. Jur., 14th Ed., Sec. 926, and Williston, Contr., Sec. 115. See also Corpus Juris Secundum, Vol. 17, Sec. 419, at page 904.

Applying this law to the present case, the government should not rescind the bargain made by the Patent Office with Jones merely because, in the opinion of the government's agent, the Court, the government's agent, the Patent Office made a poor bargain.

We need not discuss the question of restitution because it is impossible for the government to restore to the inventor the consideration passing to the public upon rescinding the bargain made with the inventor. The people of the United States upon the publication of the patent are in full possession of all the facts relating to the invention and the inventor cannot be restored his *status quo*. The government once having taken away the inventor's rights, cannot give them back.

We find no law in which a court has condemned the rescission of a contract between "A" and "B," taking away all the rights of "A" because "B's" agent made a mistake as to value of the consideration passing from "A" to "B," and we impute this lack of law to the fact that such a situation is so obviously unfair that no such issue has ever had to be adjudicated.

The above cases relate to civil actions to which the government is not a party. They, however, have a very sound moral and ethical basis. It has been repeatedly said that in patent cases the interests of the public are paramount. They are paramount to the extent that whenever the patent which discloses something which the public wants and is using, is invalidated, the public thereafter gets a free ride. Whether or not the public, in the long run, benefits by any confiscation of property is, however, debatable. The final result is that no one tries to practice thrift or acquire property that he cannot keep.

The courts in many cases have not adhered to the doctrine that the public interest is best served by invalidating patents regardless of the fairness of such action. For example, in *Zip Mfg. Co. v. Pusch*, 2 F. 2d 828 at 831 (C. C. A. 8, 1924), the Circuit Court of Appeals for the Eighth Circuit said:

“ . . . Another is that one attacking the validity of a patent is required to make good that attack with reasonable clearness. *Cantrell v. Wallick*, 117 U. S. 689, 696, 6 S. Ct. 970, 29 L. Ed. 1017; *Goessling Box Co. v. Gumb*, 241 F. 674, 679, 154 C. C. A. 432 (this court); *Schumacher v. Mfg. Co.*, 292 Fed. 522, 533 (9th C. C. A.). The effect of these two presumptions, if they are not different statements of the same presumption, is that all reasonable doubts are to be resolved in favor of the patent. . . . ”

The Supreme Court case cited in *Zip Mfg. Co. v. Pusch*, *supra*, and many other cases fully sustain the rule stated in the above quotation.

It is our opinion that after this question of validity which is a question of fact had been decided in favor of Jones by the Patent Office as evidenced by the issue of the patent, and, when it had been decided by the District Court in favor of the patent, as shown by the Court's Finding of Fact 20 [R. 55], the Court of Appeals, with no new evidence before it, did not resolve any reasonable doubt in favor of the patent, and we think that there was never any real ground for a reasonable doubt as to the validity of the patent.

Prayer.

Wherefore, your petitioner respectfully prays that writs of certiorari be issued out of and under the seal of this Court directed to the Court of Appeals for the Ninth Circuit, directing said Court to stay all proceedings in this case pending determination of the issues involved in the petition and directing that Court to certify and send to this Court for its review and determination on a day certain to be named in the writs, a full and complete transcript of the record in its appeal Schick Service, Inc. (appellants), vs. Ralph E. Jones (appellee), and Ralph E. Jones (appellant) vs. Schick Service, Inc., and Schick, Inc. (appellee), Appeal No. 11,854, and the record in the District Court in the same case identified as Civil Action No. 4601-RJ (WM), and that your petitioner be allowed to fully present his case to the Court in an *inter partes* proceeding in which the Court can have the views of opposing counsel. We are informed, however, that the necessary records are already in the hands of the Clerk of the Supreme Court.

Dated: At Los Angeles, California, this 15th day of June, 1949.

FORD W. HARRIS,

Attorney for Petitioner.

